TRACT 38588 - Vermilion Parish, Louisiana

A portion of all State owned lands, including high and marsh lands and land now or formerly constituting the beds and bottoms of any water body, within the boundaries of the Rockefeller Wildlife Refuge and Game Preserve, not presently under mineral lease and cross hatched by the State Louisiana on September 13, 2006, situated in Vermilion Parish, and described as follows: Beginning at a point Coordinates of X = 1,623,063.55 and Y = 337,669.74; thence South 89 degrees 59 minutes 35 seconds East 5,384.39 feet to a point having Coordinates of X = 1,628,447.94 and Y = 337,669.10; thence Southerly approximately 8,688 feet to a point on the present day Shoreline on the Gulf of Mexico; thence Northwesterly along the meanders of said Shoreline to a point having a X = 1,623,063.55; thence North approximately 7,839 feet to the point of beginning, containing approximately 1,011 acres, all as more particularly outlined on a plat on file in the Office of Mineral Resources, Department of Natural Resources. All bearings, distances and coordinates are based on Louisiana Coordinate System of 1927, (South Zone).

NOTE: The above description of the Tract nominated for lease has been provided and corrected, where required, exclusively by the nomination party. Any mineral lease selected from this Tract and awarded by the Louisiana State Mineral Board shall be without warranty of any kind, either express, implied, or statutory, including, but not limited to, the implied warranties of merchantability and fitness for a particular purpose. Should the mineral lease awarded by the Louisiana State Mineral Board be subsequently modified, cancelled or abrogated due to the existence of conflicting leases, operating agreements, private claims or other future obligations or conditions which may affect all or any portion of the leased Tract, it shall not relieve the Lessee of the obligation to pay any bonus due thereon to the Louisiana State Mineral Board, nor shall the Louisiana State Mineral Board be obligated to refund any consideration paid by the Lessor prior to such modification, cancellation, or abrogation, including, but not limited to, bonuses, rentals and royalties.

NOTE: This tract is located in The Rockefeller Wildlife Refuge and Game Preserve Area under the jurisdiction of the Louisiana Department of Wildlife and Fisheries which has promulgated rules and regulations for the protection of game and wildlife on the aforesaid Tract and, therefore, shall be subject to said rules and regulations, a copy of which shall be attached to the mineral lease. In addition to the specific rules and regulations applicable, the following shall apply regarding operations under this mineral lease:

- 1. Compliance with the Rockefeller mineral regulations shall be required.
- 2. No surface activities will be allowed in the vicinity of the Headquarters and associated facilities without written authorization from the Department.

- 3. Board road access will be required when feasible as determined by the Department.
- 4. In the event that board road access in not feasible, existing canals and waterways will be utilized to access proposed well locations. A maximum of 350 feet of new canal dredging will be allowed for individual well locations.
- 5. Compensatory mitigation will be required for unavoidable wetland losses.
- 6. No discharges will be allowed, including produced waters and drilling fluids. A containerized closed loop system will be required.
- 7. Seasonal restrictions may be imposed within specific management units dependent upon wildlife population levels.
- 8. A minimum bonus of \$350.00 per acre and a minimum royalty of 25% will be required.

NOTE: The State of Louisiana does hereby reserve, and this lease shall be subject to, the imprescriptible right of surface use in the nature of a servitude in favor of the Department of Natural Resources, including its Commissions, for of Offices and the sole purpose implementing, constructing, servicing and maintaining approved coastal zone management and/or restoration projects. Utilization of any and all rights derived under this lease by the mineral lessee, its agents, successors or assigns, shall not interfere with nor hinder the reasonable surface use by the Department of Natural Resources, its Offices or Commissions, as herein above reserved.

Applicant: STAFF OFFICE OF MINERAL RESOURCES

Bidder	Cash	Price/	Rental	Oil	Gas	Other
	Payment	Acre				

